

**REMARKS**

This Application has been reviewed in light of the Office Action mailed July 28, 2005. All pending claims 1-45 were rejected in the Office Action. Applicants respectfully request reconsideration and allowance of all pending Claims 1-45.

**Section 103 Rejections**

The Examiner rejects several claims under 35 U.S.C. §103(a) as being unpatentable over a combination of references. The question raised under 35 U.S.C. § 103 is whether the prior art taken as a whole would suggest the claimed invention taken as a whole to one of ordinary skill in the art at the time of the invention. *See* 35 U.S.C. § 103(a) (2000). Accordingly, even if all elements of a claim are disclosed in various prior art references, which is certainly not the case here as discussed below, the claimed invention taken as a whole cannot be said to be obvious without some reason given in the prior art why one of ordinary skill at the time of the invention would have been prompted to modify the teachings of a reference or combine the teachings of multiple references to arrive at the claimed invention.

The M.P.E.P. sets forth the strict legal standard for establishing a *prima facie* case of obviousness based on modification or combination of prior art references:

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references where combined) must teach or suggest all the claim limitations.

M.P.E.P. chs. 2142-43 (Rev. 2, May 2004). “To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. All words in a claim must be considered in judging the patentability of that claim against the prior art.” M.P.E.P. ch. 2143.03 (Rev. 2, May 2004) (citations omitted). Additionally, “if proposed modification would render the prior art invention being modified unsatisfactory for

its intended purpose, then there is no suggestion or motivation to make the proposed modification.” M.P.E.P. ch. 2143.03 (Rev. 2, May 2004) (citations omitted).

The M.P.E.P. sets forth a strict legal standard for finding obviousness based on a combination of references. According to the M.P.E.P., “Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either explicitly or implicitly in the references themselves or in the knowledge [that was] generally available to one of ordinary skill in the art” at the time of the invention. M.P.E.P. 2143.01. The “fact that references can be combined or modified does not render the resultant combination [or modification] obvious unless the prior art also suggests the desirability of the combination” or modification. *Id.* (emphasis in original).

The governing Federal Circuit case law makes this strict legal standard even more clear. According to the Federal Circuit, “a showing of a suggestion, teaching, or motivation to combine . . . prior art references is an essential component of an obviousness holding.” *In re Sang-Su Lee*, 277 F.3d 1338, 1343 (Fed. Cir. 2002) (quoting *Brown & Williamson Tobacco Corp. v. Philip Morris Inc.*, 229 F.3d 1120, 1124-25 (Fed. Cir. 2000)). “Evidence of a suggestion, teaching, or motivation . . . may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, the nature of the problem to be solved.” *In re Dembiczak*, 175 F.3d 994, 999 (Fed. Cir. 1999). However, the “range of sources available . . . does not diminish the requirement for actual evidence.” *Id.* In *In re Dembiczak*, the Federal Circuit reversed a finding of obviousness by the Board of Patent Appeals and Interferences, explaining that proper evidence of a teaching, suggestion, or motivation to combine is essential to avoid impermissible hindsight reconstruction of an applicant’s invention:

Our case law makes clear that the best defense against the subtle but powerful attraction of hind-sight obviousness analysis is *rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references*. Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor’s disclosure as a blueprint for piecing together the prior art to defeat patentability—the essence of hindsight.

175 F.3d at 999 (quoting *W.L. Gore & Assoc., Inv. v. Garlock, Inc.*, 721 F.2d 1540, 1553 (Fed. Cir. 1983)) (emphasis added) (citations omitted).

**First Section 103 Rejection**

The Examiner rejects Claims 1-5, 13-15, 17, 27, 36, 37, 41, and 42 under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 5,871,398 issued to Schneier (“*Schneier*”) in view of U.S. Patent No. 5,954,582 issued to Zach (“*Zach*”). Applicant respectfully disagrees.

Claim 1 recites the following:

A system for playing a lottery-type game, comprising:  
a play generator operable to generate a playfile without input from any player of the game, the playfile having a plurality of records, each record comprising a numeric value;  
a win generator operable to generate a winning number; and  
an evaluator operable to receive the playfile and the winning number, the evaluator operable to retrieve a record from the playfile in response to input from a player, to compare a numeric value in the retrieved record to the winning number, and to communicate a win/loss result to the player.

Independent Claims 13, 36, and 41 recite similar, although not identical, limitations.

Claim 1 (as well as Claims 13, 36 and 41) are allowable, among other reasons, because there is no motivation to combine the cited references--*Schneier* and *Zach*. These references disclose two completely different systems and the Examiner provides no adequate reasoning as to how these references could be combined or what the motivation to combine would be. The Examiner, citing *Zach*, Column 7, lines 55-65, suggests that motivation is the fact that one of ordinary skill would want to incorporate the wagering system of *Zach* into the remote lottery system of *Schneier* in order to verify that a certain play has won at both the player and the evaluator and to confirm accurate reception of data. However, no motivation would exist to incorporate into *Schneier* the method of verification (or data accuracy confirmation) at a player disclosed in *Zach* because *Schneier* reveals the win/loss outcomes at a player at the time of play. *Schneier*, Column 9, line 35 to Column 10, line 4.

Furthermore, modifying *Schneier* in view of *Zach*, as the Examiner has done, would both change the principle of operation of *Schneier* and would render *Schneier* unsatisfactory for its intended purpose. For example, the Examiner asserts that *Schneier* discloses a “playfile” generated without input from any player, presumably referring to the “finite series of win/lose outcomes/game authorizations.” Column 9, lines 39-43. Combining *Schneier*’s “playfile” comprising win/lose outcomes with *Zach*’s “win generator” would render *Schneier* unsatisfactory because *Schneier*’s “playfile” would already have win/lose outcomes and would not require a win generator. There is no need of a win generator and thus also no need to compare the “playfile” with the winning number (since the “playfile” comprises the outcomes). If a “proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims *prima facie* obvious.” M.P.E.P. §2143.01. There is simply no motivation to completely change the purpose and functionality of *Schneier* to incorporate the wagering system of *Zach*.

Furthermore, even if these references could be combined, the combination does not teach all the limitations of Claim 1 (as well as Claims 13, 36 and 41). For example, neither reference discloses “a play generator operable to generate a playfile without input from any player of the game, the playfile having a plurality of records, each record comprising a numeric value.” The Examiner asserts that *Schneier* discloses this limitation, citing Column 9, line 35 to Column 10, line 4. The Examiner is presumably referring to the program for generating a random prize data stream (“RPD”) in *Schneier*, the “finite series of win/lose outcomes/game authorizations.” Column 9, lines 39-43. However, the RPD generator does not disclose a playfile generator because a playfile generator operates in conjunction with a win generator, and the RPD generator does not operate in conjunction with a win generator--the RPD generator actually is a win (or loss) generator, so no comparison need be made with a winning number. In addition, as the Examiner points out, *Schneier* does not teach that each record comprises a numeric value. Thus, *Schneier* does not disclose a play generator operable to generate a playfile without input from any player of the game, the playfile having a plurality of records, each record comprising a numeric value, as required by the claims.

In addition, neither *Schneier* nor *Zach* discloses “an evaluator operable to receive the playfile.” As the Examiner points out, *Schneier* does not teach this limitation. The Examiner asserts that this limitation is disclosed in *Zach*, Column 7, lines 32-54. However, the playfile referred to in the claim limitation is the playfile generated by the play generator, which the Examiner stated was disclosed in *Schneier*, not *Zach*. The Examiner has not addressed how the “evaluator” in *Zach* is operable to receive a “playfile” as disclosed in *Schneier*, and the Applicant respectfully fails to see where that limitation is disclosed in the cited passage or anywhere else in *Zach*.

Additionally, neither *Schneier* nor *Zach* discloses an “evaluator operable to retrieve a record from the playfile in response to input from a player.” As the Examiner points out, *Schneier* does not teach this limitation. The Examiner asserts that this limitation is disclosed in Column 7, lines 32-54 of *Zach*. However, *Zach* does not disclose that the alleged “evaluator” in that passage (presumably, the host) retrieves a record from the alleged “playfile” (which does not even exist in *Zach*, as discussed above) in response to input from a player. Rather, *Zach* only discloses that the host reproduces sequence numbers and pseudo-random wager numbers and determines a winning ticket in response to a winning number determination. See Column 7, lines 32-54. No passage in *Zach* discloses retrieving a record from the playfile. In addition, the winning number in *Zach* may be determined through any number of methods for determining winning tickets according to *Zach*, none of which involve input from a player. See Column 7, lines 32-54. Thus, *Zach* does not disclose an evaluator operable to retrieve a record from the playfile in response to input from a player, as required by the claims.

In addition, neither reference discloses an evaluator operable “to compare a numeric value in the retrieved record to the winning number.” As the Examiner points out, *Schneier* does not teach this limitation. The Examiner asserts that this limitation is disclosed in Column 7, lines 32-54 of *Zach*. As discussed above, however, there is no “retrieved” record in *Zach*. In addition, the “retrieved record” in the claim refers to a record retrieved from the playfile. As discussed above, the Examiner has not addressed why *Schneier*’s alleged “playfile” (the RPD stream) would be compared to a winning number since that alleged “playfile” already contains win/loss outcomes. Applicants respectfully submit that such an

explanation is not possible since there is no reason to compare the RPD stream to a winning number.

Additionally, neither *Schneier* nor *Zach* discloses an evaluator operable to “communicate a win/loss result to the player.” As the Examiner points out, *Schneier* does not teach this limitation. The Examiner asserts that this limitation is disclosed in Column 7, lines 32-54 of *Zach*. Applicant respectfully fails to see where that limitation is disclosed in the cited passage or anywhere else in *Zach*.

For at least these reasons, Applicant respectfully submits that Claims 1, 13, 36 and 41, as well as the claims that depend from these independent claims, are in condition for allowance. Therefore, reconsideration and favorable action are requested.

#### **Second Section 103 Rejection**

The Examiner also rejects Claims 6 and 24 under 35 U.S.C. §103(a) as being unpatentable over *Schneier* in view of *Zach*, and in further view of U.S. Patent No. 5,830,064 issued to Bradish (“*Bradish*”). Applicant respectfully disagrees. Claims 6 and 24 each depend from one of the independent claims discussed above. At least because they depend from an allowable independent claim, Applicant respectfully requests reconsideration of Claims 6 and 24.

#### **Third Section 103 Rejection**

Further, the Examiner rejects Claims 7-9, 25, and 26 under 35 U.S.C. §103(a) as being unpatentable over *Schneier* in view of *Zach*, and in further view of U.S. Patent No. 5,197,736 issued to Backus (“*Backus*”). Applicant respectfully disagrees. Claims 7-9, 25, and 26 each depend from one of the independent claims discussed above. At least because they depend from an allowable independent claim, Applicant respectfully requests reconsideration of Claims 7-9, 25, and 26.

#### **Fourth Section 103 Rejection**

The Examiner rejects Claims 10, 11, 18, 19, 21, 22, 34, 38, and 43 under 35 U.S.C. §103(a) as being unpatentable over *Schneier* in view of *Zach*, and in further view of U.S.

Patent No. 4,747,139 issued to Taaffe (“*Taaffe*”) and U.S. Patent No. 6,308,256 issued to Folmsbee (“*Folmsbee*”). Applicant respectfully disagrees. Claims 10, 11, 18, 19, 21, 22, 38, and 43 each depend from one of the independent claims discussed above. Claim 34 depends from independent Claim 33 discussed below. At least because they depend from an allowable independent claim, Applicant respectfully requests reconsideration of Claims 10, 11, 18, 19, 21, 22, 34, 38, and 43.

**Fifth Section 103 Rejection**

The Examiner also rejects Claims 12, 23, 40, and 45 under 35 U.S.C. §103(a) as being unpatentable over *Schneier* in view of *Zach*, *Taaffe*, and *Folmsbee*, and in further view of U.S. Applied Cryptography (Schneier, “Applied Cryptography”, 1996 Second Edition, pp. 38-39) (“*Applied Cryptography*”). Applicant respectfully disagrees. Claims 12, 23, 40, and 45 each depend from one of the independent claims discussed above. At least because they depend from an allowable independent claim, Applicant respectfully requests reconsideration of Claims 12, 23, 40, and 45.

**Sixth Section 103 Rejection**

Further the Examiner rejects Claim 16 under 35 U.S.C. §103(a) as being unpatentable over *Schneier* in view of *Zach* and in further view of U.S. Patent No. 5,096,195 issued to Gimmon (“*Gimmon*”). Applicant respectfully disagrees. Claim 16 depends from independent Claim 13 discussed above. At least because Claim 16 depends from an allowable independent claim, Applicant respectfully requests reconsideration of Claim 16.

**Seventh Section 103 Rejection**

The Examiner also rejects Claims 20, 39, and 44 under 35 U.S.C. §103(a) as being unpatentable over *Schneier* in view of *Zach*, *Taaffe* and *Folmsbee*, and in further view of U.S. Patent No. 6,595,855 issued to Sako (“*Sako*”) and IEEE Dictionary. Applicant respectfully disagrees. Claims 20, 39, and 44 each depend from one of the independent claims discussed above. At least because they depend from an allowable independent claim, Applicant respectfully requests reconsideration of Claims 20, 39, and 44.

**Eighth Section 103 Rejection**

The Examiner also rejects Claims 28-31 under 35 U.S.C. §103(a) as being unpatentable over *Schneier* in view of *Zach*, *Taaffe*, *Folmsbee*, *Applied Cryptography*, *Bradish*, and *Backus*. Applicant respectfully disagrees.

Claim 28 (as currently amended) recites the following:

A method for playing a lottery-type game, comprising:  
storing a playfile received in an electronic format from a remote location, the playfile representing a number of plays and a win probability and including an encrypted playfile having a plurality of records and an extractor, each record of the playfile comprising a verification string, a numeric value, and a key;  
after storing the playfile, receiving a winning number computed using a plurality of published, independent lottery results;  
receiving a key;  
decrypting, in response to input from a player, only a current record in the encrypted playfile using the extractor and the key;  
retrieving a verification string from the decrypted current record;  
comparing the verification string to an authorized string;  
retrieving a numeric value from the decrypted current record if the verification string matches the authorized string;  
comparing the numeric value to the winning number;  
communicating a win/loss result to the player; and  
retrieving a next key from the decrypted current record for use in decrypting a next record.

Claim 28 is allowable, among other reasons, because there is no motivation to combine the cited references--*Schneier*, *Zach*, *Taaffe*, *Folmsbee*, *Applied Cryptography*, *Bradish*, and *Backus*. These references disclose seven completely different systems and the Examiner provides no reasoning at all as to how these *seven* references could be combined or what the motivation to combine would be. As discussed above, even modifying *Schneier* in view of *Zach* alone would completely change the purpose and functionality of *Schneier*. As described above, the M.P.E.P. and the Federal Circuit repeatedly warn against using an applicant's disclosure as a blueprint to reconstruct the claimed invention.

Furthermore, even if these references could be combined, the combination does not teach all the limitations of Claim 28. For example, none of the references disclose "storing a

playfile.” The Examiner asserts that this limitation is disclosed in Column 9, line 35 to Column 10, line 4 of *Schneier*. However, *Schneier* discloses an RPD containing a finite series of win/lose outcomes/game authorizations. Column 9, lines 39-43. As discussed above, an RPD does not disclose a playfile. Thus, neither *Schneier* nor any of the other references disclose the limitation, as required by Claim 28.

Additionally, none of the references disclose “the playfile representing a number of plays.” The Examiner asserts that *Schneier* at Column 9, line 35 to Column 10, line 4 discloses this limitation. However, *Schneier* refers to a random prize data stream that offers “a finite series of win/lose outcomes/game authorizations.” Column 9, lines 41-42. A random prize data stream representing a desired rate of outcomes/game authorizations does not disclose receiving a playfile representing a number of plays. *Schneier* also refers to a purchase request received by the central management computer (CMC). Column 9, line 52. However, a purchase request does not disclose a “playfile representing a number of plays.” Thus, neither *Schneier*, nor any other of the Examiner’s references, discloses the limitation, as required by Claim 28.

In addition, none of the references disclose “after storing the playfile, *receiving a winning number computed using a plurality of published, independent lottery results.*” The Examiner asserts that *Bradish* at Column 1, lines 20-37, and *Backus* at Column 2, line 21 to Column 3, line 15 disclose this limitation. However, *Bradish* refers generally to random-number, pseudo-random, and biased-true-random-number generators, not to receiving a winning number computed using a plurality of published, independent lottery results. *Brackus* refers to a method for *predicting* future lottery numbers based on past lottery numbers, not to *receiving* a winning number computed using a plurality of published, independent lottery results. Thus, neither reference, nor any other of the Examiner’s references, disclose the limitation, as required by Claim 28.

Additionally, none of the references teach “decrypting, in response to input from a player, only a current record in the encrypted playfile using the extractor and the key.” The Examiner asserts that *Taffe* discloses “decrypting only a current record in the encrypted playfile using an extractor and the key” at Column 9, lines 48-67. Applicant respectfully fails

to see where that limitation, especially the use of an extractor, is disclosed in the cited passage or anywhere else in *Taffe* or any of the other references. Furthermore, *Taffe* does not disclose decrypting “in response to input from a player,” as required by the claim. The other references that the Examiner cites as disclosing this limitation are *Schneier* at Column 9, lines 50-57 and *Zach* at Column 7, lines 32-54. However, *Schneier* does not disclose anything about decryption, in the cited passage or elsewhere, much less that a current record in the encrypted playfile is decrypted using an extractor and a key in response to input from a player. *Zach* does not disclose, in the cited text or elsewhere, decrypting, in response to input from a player, only a current record in an encrypted playfile using an extractor and a key. Thus, none of the references cited by the Examiner disclose the limitation, as required by Claim 28.

In addition, none of the references teach “retrieving a numeric value from the decrypted current record.” The Examiner asserts that *Zach* discloses “retrieving a numeric value from the current record” at Column 7, lines 32-54. Applicant respectfully fails to see where that limitation is disclosed in the cited passage or anywhere else in *Zach* or any of the other references. Even assuming, for the sake of argument, that *Zach* does disclose what the Examiner asserts, *Zach* does not disclose, and the Examiner does not address, retrieving a numeric value from the *decrypted* current record. Thus, none of the references cited by the Examiner disclose the limitation, as required by Claim 28.

Additionally, none of the references teach “communicating a win/loss result to the player.” The Examiner asserts that this limitation is disclosed in Column 7, lines 32-54 of *Zach*. Applicant respectfully fails to see where that limitation is disclosed in the cited passage or anywhere else in *Zach* or any of the other references.

For at least these reasons, Applicants respectfully submit that Claim 28, as well as the claims that depend from Claim 28, are in condition for allowance. Therefore, reconsideration and favorable action are requested.

**Ninth Section 103 Rejection**

The Examiner also rejects Claim 32 under 35 U.S.C. §103(a) as being unpatentable over *Schneier* in view of *Zach*, *Taaffe*, *Folmsbee*, *Applied Cryptography*, *Bradish*, *Backus*, and in further view of *Gimmon*. Applicant respectfully disagrees. Claim 32 depends from independent Claim 28 discussed above. At least because Claim 32 depends from an allowable independent claim, Applicant respectfully requests reconsideration of Claim 32.

**Tenth Section 103 Rejection**

The Examiner also rejects Claims 33 and 35 under 35 U.S.C. §103(a) as being unpatentable over *Schneier* in view of *Zach* and *Taaffe*. Applicant respectfully disagrees.

Claim 33 recites the following:

A method for generating a playfile for a lottery-type game, comprising:  
receiving a desired number of plays and a win probability;  
generating a record for each of the desired number of plays, each record including a numeric value randomly generated using the win probability;  
generating, for at least some of the records, a key for decrypting the next record; and  
combining the records into a playfile.

Claim 33 is allowable, among other reasons, because there is no motivation to combine the cited references--*Schneier*, *Zach*, and *Taaffe*. These references disclose three completely different systems and the Examiner provides no reasoning as to how these references could be combined or what the motivation to combine would be. As discussed above, even modifying *Schneier* in view of *Zach* alone would completely change the purpose and functionality of *Schneier*. The M.P.E.P. and the Federal Circuit repeatedly warn against using an applicant's disclosure as a blueprint to reconstruct the claimed invention.

Furthermore, even if these references could be combined, the combination does not teach all the limitations of Claim 33. For example, none of the references disclose "receiving a desired number of plays." The Examiner asserts that *Schneier* at Column 9, line 35 to Column 10, line 4 discloses this limitation. However, *Schneier* refers to a random prize data stream that offers "a finite series of win/lose outcomes/game authorizations," Column 9,

lines 41-42. Receiving a desired rate of outcomes/game authorizations does not disclose receiving a desired number of plays. *Schneier* also refers to a purchase request received by the central management computer (CMC). Column 9, line 52. However, receiving a purchase request does not disclose “receiving a desired number of plays.” Thus, neither *Schneier*, nor any other of the Examiner’s references, discloses the limitation, as required by Claim 33.

In addition, none of the references disclose “generating a record for *each* of the *desired number of plays*.” The Examiner asserts that *Schneier* discloses this limitation at Column 9, line 35 to Column 10, line 4. As discussed above, *Schneier* does not disclose a desired number of plays. Furthermore, *Schneier* does not disclose generating a record for *each* of the desired number of plays. In *Schneier*, “a record is generated in the CMC for each transaction with a given HTV.” Column 10, lines 2-4. These records are for each transaction, which may include more than one play, not for each play of the desired number of plays. Column 9, line 50 to Column 10, line 2. Thus, neither *Schneier*, nor any other of the Examiner’s references, discloses the limitation, as required by Claim 33.

Additionally, none of the references disclose “combining the records into a playfile.” The Examiner does not address this limitation. Rather, the Examiner asserts that *Zach* discloses communicating the playfile to a remote location at Column 7, lines 32-54. Office Action, page 19. However, neither this passage, nor any other passage in *Zach*, discloses combining the records into a playfile, as required by Claim 33.

For at least these reasons, Applicant respectfully submits that Claim 33, as well as the claims that depend from Claim 33, are in condition for allowance. Therefore, reconsideration and favorable action are requested.

**CONCLUSION**

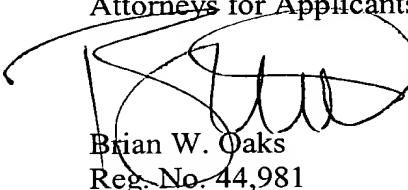
Applicants have made an earnest attempt to place this case in condition for allowance. For the foregoing reasons, and for other reasons clearly apparent, Applicants respectfully request full allowance of all pending claims.

If the Examiner feels that a telephone conference would advance prosecution of this Application in any manner, the Examiner is invited to contact Brian W. Oaks, Attorney for Applicants, at the Examiner's convenience at (214) 953-6986.

No fee is believed to be due. However, the Commissioner is hereby authorized to charge any additional fees or credit any overpayment to Deposit Account No. 02-0384 of BAKER BOTTS L.L.P.

Respectfully submitted,

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